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interchangeably, and does not extend to ratifications, which are merely steps in the enactment of law. The court said that the action of a state legislature in ratification or rejection is properly likened to a response to a roll-call.

**STATUTES—CONSTRUCTION—STATE LAW.**—The defendant, a national bank, was allowed by federal statute to “take, receive, reserve and charge on any loan or discount—interest at the rate allowed by the laws of the state or territory where the bank is located, and no more.” The Georgia statutes allowed a rate of eight per cent per annum. The defendant deducted in advance from the loan a sum equivalent to eight per cent per annum upon the whole sum, thus receiving a return of slightly more than eight per cent on the amount actually loaned. On suit by the borrower to recover penalties prescribed for taking more than the permitted rate of interest, *held*, (three justices dissenting) the bank had not exceeded the permitted rate. *Evans v. National Bank of Savannah*, (U. S. Sup. Ct., 1910) 40 Sup. Ct. 58.

Hard cases sometimes make irrational law. This decision comes within that category. Prior to 1915 it had been established by decision of the Georgia courts that the statute allowed a deduction of eight per cent in advance. In 1915 the Georgia supreme court reversed these decisions and declared that the resulting slight excess of eight per cent on the amount actually loaned was not permitted by the statute. Thus by the statutes of Georgia, as interpreted by the supreme court of the state, a discount of eight per cent was not permitted. Yet the defendant bank had deducted a discount of eight per cent. The loan and discount had been made so closely following the decision which changed the old rule, that the bank officials may have been ignorant of the change. Nevertheless, ignorance of the law is not a defense. *Jellico Coal Co. v. Com.*, 16 Ky. L. R. 463; *Staley v. State*, 89 Neb. 701, 34 L. R. A. (N. S.) 613. And a state court's interpretation of a state statute is binding on the federal courts. *Warburton v. White*, 176 U. S. 484; *Yocum v. Kennedy*, 130 Fed. 722; *Love v. Busch*, 142 Fed. 429. The dissenting opinion of three judges in the principal case held accordingly, and cited *Citizens National Bank v. Donnell*, 195 U. S. 369, as an exact precedent. The majority, in holding the bank not guilty, ignore both this precedent and the logic suggested.

**TAXATION—CHARITABLE ORGANIZATIONS NOT LOSING RIGHT TO EXEMPTIONS—NATURE OF WORK DONE BY CHARITABLE ORGANIZATION DETERMINES RIGHT TO EXEMPTIONS.**—Appellant, a Massachusetts corporation, maintains a store in Chicago where it sells religious and moral books and Sunday School supplies. To some Sunday Schools it furnishes the supplies gratis, but others it charges from 25 to 100 per cent of the list price in accordance with their ability to pay. The business is so managed that over a period of years there will be no profits. *Held*, “An institution does not lose its charitable character, and consequent exemption from taxation by reason of the fact that those recipients of its benefits who are able to pay are required to do so, where no profit is made by the institution and the amounts so received are applied in furthering its charitable purposes \* \* \* It is not the use to be